# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

### ACCEPTED/FILED

In the Matter of the Application of	)	OCT 13 2015
BROADRIVER COMMUNICATION CORPORATION	)	Federal Communications Commission Office of the Secretary
and	)	
APPIA COMMUNICATIONS, INC.	)	File No. ITC-T/C-2014
for authority pursuant to Section 214 of the	)	WCB Docket No. 14
Communications Act of 1934, as amended,	)	
to Transfer Indirect Control of International and	)	
Domestic Carriers	)	

## APPLICATION TO TRANSFER INDIRECT CONTROL OF INTERNATIONAL AND DOMESTIC CARRIERS

BroadRiver Communication Corporation ("Transferor" or "BCC") and Appia Communications, Inc. ("Transferee" or "Appia") (together, "Applicants"), pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. ‡ 214, and Sections 63.04 and 63.24 of the Commission's rules, 47 C.F.R. ‡‡ 63.04 and 63.24, hereby request the Commission's approval for the transfer to Appia of indirect control of BCC, which holds domestic and international authority under Section 214.

The Section 214 authorization currently held by BCC will continue to be held by BCC following consummation of the proposed transaction and there is no overlapping or adjacent local exchange service territory between BCC and Appia.

#### I. DESCRIPTION OF THE APPLICANTS

A. BroadRiver Communication Corporation ("Transferor")

BCC is a Delaware corporation in good standing. BCC is a Section 214 Licensee and a Competitive Local Exchange Carrier (CLEC) licensed in several states. BCC provides voice and related services to business customers primarily in Alabama and Georgia, but also in Florida, Maryland, New York, North Carolina, South Carolina, Tennessee, Texas, and Virginia.

#### B. Appia Communications, Inc. ("Transferee")

Appia is a Michigan corporation in good standing. Appia is a Section 214 Licensee and an interconnected VoIP carrier. Appia provide voice and related services to business customers throughout the U.S. and in several international locations.

#### II. DESCRIPTION OF THE TRANSACTION

On October 30, 2014, BCC and Appia entered into a binding letter of intent under which Appia proposed to purchase all of the shares of BCC ("the Transaction") following a period of due diligence.

The proposed Transaction contemplates that BCC would continue as a wholly-owned subsidiary of Appia. For the Commission's convenience, a post-purchase organization chart is provided as Exhibit A.

Applicants have agreed that the Transaction will not be consummated prior to receipt of approvals by the Commission and state regulatory authorities.

Applicants desire to close the Transaction as soon as the first quarter of 2015 but no later than the second quarter of 2014, subject to the approvals just described and to the approvals of the directors of Appia and BCC. Upon closing, Appia intends to maintain BCC as a separate Section 214 Licensee for the foreseeable future.

#### III. PUBLIC INTEREST STATEMENT

Applicants submit that the transaction is consistent with the public interest. The Transaction will bring together two successful companies that have a long-standing commitment to excellence in the

highly competitive communications marketplace. Applicants expect that the Transaction will enable the

companies to better meet the needs of their local, regional, national, and international customers,

business partners, and wholesalers. BCC will also benefit from Appia's extensive telecommunications

experience and expertise, and its broad range of telecommunication offerings.

Applicants also believe that the Transaction will result in a stronger combined company and

allow the combined company to bring new products and services to market more quickly. The combined

company will also have the ability to timely implement infrastructure upgrades, which will, in turn,

improve the quality and reliability of the services the combined company will offer its customers.

The combined company will also enable efficiencies, which will provide the combined company

with the resources required to provide improved customer care and support.

The public interest will also be served by the prompt consideration and approval of this

Transaction. For various important business, customer service, and financial reasons, Applicants require

that the Transaction be completed as quickly as possible. Delay in regulatory approvals risks creating

employee uncertainty and competitive harm.

IV. **INFORMATION REQUIRED BY SECTION 63.24(e)** 

Pursuant to Section 63.24(e)(2) of the Commission's rules, Applicants submit the following

information from Section 63.18(a)-(d) for the Transferor and Transferee, and from Section 63.18(h)-(p)

for the Transferee.

Name, address, and telephone number of each Applicant and Licensee

**Transferor:** 

BroadRiver Communication Corporation (FRN: 0008-2330-41)

1000 Hemphill Ave. NW

Atlanta, GA 30318

404-961-1000

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#### Transferee:

Appia Communications, Inc. (FRN: 0014-3791-43) 1030 Hastings St., Suite 100 Traverse City, Michigan 49686 231-929-0970

#### **Jurisdiction of Organizations**

<u>Transferor:</u> BCC is a corporation organized under the laws of the State of Delaware.

<u>Transferee:</u> Appia is a corporation organized under the laws of the State of Michigan.

#### (Answer to Question 10)

Correspondence regarding this application should be sent to:

Victor von Schlegell
Appia Communications, Inc.
1030 Hastings St., Suite 100
Traverse City, MI 49686
231-929-0970 (phone)
231-946-8954 (fax)
victor@appiaservices.com

#### **Section 214 Authorizations**

<u>Transferor</u>: BCC is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. BCC also holds international Section 214 authorization to provide global resale services.

<u>Transferee</u>: Appia is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. BCC also holds international Section 214 authorization to provide global resale services.

#### (Questions 11 & 12)

The 214 Licensees are both privately-held companies. Michael Oken, the President of BCC, owns 100 percent of the shares of BCC. Appla is owned as follows:

Victor von Schlegell, President: 50 percent William Bollinger, Vice President: 20 percent Seven other parties: 30 percent

Upon completion of the proposed Transaction, Appla will hold 100 percent of the ownership shares in BCC.

#### (Question 14)

Transferee certifies that (a) it is not a foreign carrier within the meaning of 63.09(d) of the Commission's rules, and (b) it is not affiliated and will not become affiliated as a result of the proposed Transaction, with any foreign carrier or entity, within the meaning of 63.09 of the Commission's rules.

#### (Question 15)

Transferee does not seek to provide international telecommunications services to any destination country where: (a) Transferee is a foreign carrier in that country; (b) Transferee controls a foreign carrier in that country; (c) any entity that owns more than 25 percent of Transferee, or that controls Transferee, controls a foreign carrier in that country; or (d) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Transferee and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international telecommunications services in the United States.

(k-m) Not applicable. Transferee is not a foreign carrier and is not, and will not, become a foreign carrier as a result of the proposed Transaction.

(n) Applicants certify that they have not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's rules, directly or indirectly, from any foreign carrier where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

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- (o) Pursuant to Sections 1.2001 through 1.2003 of the Commission's rules implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. ‡ 853(a), Applicants certify that no party to this Application is subject to a denial of federal benefits pursuant to section 5301 of said Act.
- (p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to the Commission's rules, 47 C.F.R. ‡ 63.12(a)-(b). Specifically, 63.12(c)(1) does not apply because neither of the Applicants is or is affiliated with any foreign carrier and none of the scenarios outlined inn Section 63.12(c) applies.

#### V. ADDITIONAL INFORMATION REQUIRED UNDER SECTION 63.04(b)

In lieu of an attachment, pursuant to Section 63.04(b) of the Commission's rules, Applicants submit the following information in support of their request for a transfer of control of the 214 Licensee in order to address the requirements set forth under paragraphs (a)(6) through (a)(12) of Section 63.04.

- (a)(6) A description of the proposed Transaction is provided in Section II above.
- (a)(7) BCC provides domestic (local exchange and interexchange) telecommunications services as a Competitive Local Exchange Carrier in Alabama and Georgia. Appia provides domestic telecommunications services as an interconnected VoIP carrier in most of the 50 U.S. states. Applicants do not have overlapping or adjacent ILEC or CLEC local service territories.
- (a)(8) This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(iii) of the Commission's rules because Applicants have, in combination, fewer than 2 percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent ILEC service areas.
- (a)(9) Through this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application being separately and concurrently filed with respect to both types of authorities in compliance with Section 63.04(b) of the Commission's rules).

(a)(10) Not applicable.

(a)(11) Not applicable.

(a)(12) A statement of how grant of this Application will serve the public interest, convenience and necessity is provided in Section III above.

#### **CONCLUSION**

For the foregoing reasons, Applicants respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this Application. Applicants respectfully request streamlined and expedited treatment to permit the parties to consummate the proposed Transaction as soon as possible.

Respectfully submitted,

Victor von Schlegell

Appia Communications, Inc.

1030 Hastings St., Suite 100

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231-929-0970 (phone)

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victor@appiaservices.com

Dated: December 3, 2014